FOIAb3b

CPYRGHT

CPYRGHT

WHAT WASHINGTON'S HIDING

U.S. Taxpayers Foot

Bill For POW Swap

BY MAL HENDRIX

HERETT PRESENT

The U.S. government now has its full force behind the efforts to liberate the 1.113 Bay of Pigs invasion prisoners from

Communist Cuba, despite a elaborate "managed news program to sell the U.S. taxpa ers the fidea the project is the cuba by private citizen

Directing the Debindahe-scal

governmental manuscring in the negotiations and assembly of the 62-million-dollar ranson package of foods and medicine is Attorney General Rober Kennedy.

Exactly how much in government funds is being expended to conclude the prisoner exchange probabnever will be determined officially, but responsible sources in Washington report most of the total cost of the project is being borne by the jederal government.

Ultimately, the U.S. taxpay ers will foot the bill.

Also threads are appearing across the United States indicating the Justice Department and other instruments of the Kenne dy Administra and Instruments of the I

stances to obtain merchandist for the ransom package.

In New York, business sources have reported that Attorney General Kennedy has personally made requests for some of the food and drugs being readled for shipment to Hayana.

The sources said the President's brother described himself as acting as a private citizen rather than an administration of ficial. He reportedly told the sources the operation had the full support of the President but there were legal objections to direct participation by the chief executive.

On the West Coast, Dr. Annold Beckman, president of Beckman Instrument Co. The Fullerton, Calif., reported that a Washington attorney called him from the Justice Department and asked for \$60,000 worth of equipment.

Beckman called the exchange "Castro blackmail ... not in keeping with the United States.

Beckman declined to identify the lawyer who called him, but said the attorney told him he thresented the Cuban Fami-

It committee the American Red Cross.

Beckman added that some of the instruments reducested have been considered of strategic im-

to a Communist country.

Education officer for the Justice, Repartment, has maintained steedfastly in recent works, that the attorney gen-

eral had no role in the negotiations and the project was solely the work of the Families Committee.

Today, atteman acknowledged that the Justice Depart-

ment and the Internal Revenue Service have made staff members available to advise lawyers working with James B. Donovan on tax questions and similar matters.

had sed Justice Department photos, but claimed the Fam-

ilies Committee would pay the calls.

Last night, the Internal Revenue Service ruled that an person or firm that donair food or medicine in the prisoner exchange may list the value as a charity tax deduction.

government itself was donating money, food or drugs to the project, State Department Press Office Lincoln White Rectified comment.

Meanwhile, reports from various ports of the United States disclose that the ransom package assembled under the Justice Department supervision has a far broader range than has been announced previously by government spokesmen, Domovan or the Families Committee.

When Donovan returned to Miami from Havana in mid-October after a week of jutile negotiations with Fidel Castro he had this to say at a least conference held at Miami International Airport:

"... My work does no involve one dollar in cash. It involves solely drugs, wedicines, medical applies and

Approved For Release : CIA-RDP75-00001R000100390028-5

CPYRGHT

lutely no part in these negotiations.

It now develops as supplies pour into Opa-locka assembly facilities, that lard and food staples in large quanties have been included in the Havana-bound shipment.

Inree a mesota company of the control of th

dollars worm of flour, vegetable oil separed potato product concentrated high-protein multi-purpose food.

uvana delivery.

Pils 5. reportedly is sending 20,000 in staples from its regular line of consumer products.

The on Giant Co. was said to be immitted to sending 53,000 cases of canned corn, reportedly valued at \$135,000.

res Association said his group had received commitments for about 9-million dollars worth of non-perishable food from about 20 companies for shipment to Cuba.

At least seven Midwest pharmaceutical firms have reported they are sending almost 25 million dollars worth of drugs and medicines at wholesale prices to the exchange project.

The lirms are Uplohn Co., I arke Davis & Co., G.D. Searle & Co., Abbott Laboratories, Armour Fharmaceuticals Co., Baxter Laboratories, and Eli Lilly

In connection with the newly announced tax reflet offer
by the government to the
firms, there already are signs
Congress will be divided on
the question when it convenes
next month.

Senate Democratic leader

Mike Mansfield predicted Congress would go along with the proposal. However, Sen. Bourke B. Hickenlooper of Iowa, chairman of the Senate GOP policy committee, opposed the idea calling it a "direct use of government money for the payment of ransom."